

Statements of Determinations and Business Impact

In 1998, the USEPA promulgated the Interim Enhanced Surface Water Treatment Rule [Federal Register 63 (241), 69478-69521, December 16, 1998], with a revision published in 2001 [Federal Register 66 (10), 3770-3780, January 16, 2001], as required by the Safe Drinking Water Act (SDWA) Amendments of 1996, which provides increased public health protection against microbial pathogens, specifically the protozoan *Cryptosporidium*. Additionally, in 2001 the USEPA promulgated the Filter Backwash Recycling Rule [Federal Register 66 (111), 31086-31105, June 8, 2001], also as required by the SDWA.

California currently requires water suppliers to filter and disinfect surface water and ground water under the influence of surface water pursuant to Chapter 17 [commencing with section 64650 of Title 22, Division 4 of the California Code of Regulations]. Since California must adopt federal regulations to maintain primacy for the Drinking Water Program, the proposed regulation package incorporates all the federal revisions. The proposed regulation package also includes provisions that are in addition to the federal revisions.

The net effect of the proposed amendments to the Chapter 17 requirements would be that:

1. Suppliers using an approved surface water source and serving at least 10,000 people would be required to provide at least 99 percent removal of *Cryptosporidium* oocysts, which would be accomplished through the attainment of more stringent turbidity standards.
2. Suppliers using an approved surface water source and serving at least 10,000 people would be required to determine their annual average concentration of total trihalomethanes and haloacetic acids (five), and if the annual averages exceed or equal either 0.064 mg/L or 0.048 mg/L respectively, the supplier would be required to conduct disinfection profiling and calculate a benchmark.
3. All suppliers using an approved surface water source would be required to:
 - a. Provide the Department with information about filter backwash recycle flows and return such flows to the headworks of the treatment plant.
 - b. Conduct monthly source water monitoring for bacterial concentrations.
 - c. Conduct daily monitoring of settled water turbidity.
 - d. Conduct monitoring of recycled backwash water for turbidity and flow.
 - e. Include a filter media inspection program in the operations plan.

The most significant incremental cost impact of this proposed regulation would be the federal requirement to provide at least 99 percent removal of *Cryptosporidium* oocysts, through the attainment of more stringent turbidity standards. The estimated annual incremental cost is \$40 million for improved turbidity treatment and \$19.9 million for turbidity start-up and monitoring. The incremental cost impact of the state-only requirements is not significant when compared to the cost of meeting the federal requirements. The estimated annual incremental cost is zero to \$0.04 million for state-only monitoring and reporting.

The Department has determined that the proposed regulations would not have a significant adverse impact on businesses, including the ability of California businesses to compete with businesses in other states.

The Department has determined that the regulations will not significantly affect the following:

1. The creation or elimination of jobs within the State of California. The requirements summarized above should not have any affect in this area in that there would not be any change in water system or regulatory personnel needed for compliance with the proposed requirements.
2. The creation of new businesses or the elimination of existing businesses within the State of California. The nature of the water industry is such that the proposed regulation will not result in the creation or elimination of water systems. The impact of these regulations will be insignificant.
3. The expansion of businesses currently doing business within the State of California. Since water system size is basically a function of the number of service connections (consumers) served, the proposed regulations should not have any affect on expansion.

The Department has determined that the proposed regulations would not affect small business, since Government Code Chapter 3.5, Article 2, Section 11342.610 excludes drinking water utilities from the definition of small business.

ALTERNATIVES CONSIDERED

The Department has determined that no alternative considered by the Department would be more effective in carrying out the purpose for which the amendments to the regulations are being proposed or would be as effective and less burdensome to affected private persons.

LOCAL MANDATE DETERMINATION

The proposed regulation would not impose a mandate on local agencies that requires state reimbursement. Local agencies should not incur costs as a result of this regulation. However, if they were to incur costs, those costs would be of the following nature:

First, some local agencies would incur costs in their operation of public water systems. These costs would not be the result of a “new program or higher level of service” within the meaning of Article XIII B, Section 6 of the California Constitution because they apply generally to all individuals and entities that operate public water systems in California and do not impose unique requirements on local governments. Therefore, no state reimbursement of these costs would be required.

Second, some local agencies could incur additional costs in discharging their responsibility to enforce the new regulations for the small public water systems (under 200 service connections) that they regulate. However, the Department has determined that any increase in the local agency costs resulting from enforcing this regulation would be insignificant. Furthermore, local agencies are authorized to assess fees to pay reasonable expenses incurred in enforcing statutes and regulations related to small public water systems, Health and Safety Code section 101325. Therefore, no reimbursement of any incidental costs to local agencies in enforcing this regulation would be required, Government Code section 17556(d).